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# Economic Need and Impact Assessment for Expansion of Office Use

415 MILTON ROAD,  
AUCHENFLOWER

MARCH 2026

**ue** urban  
economics

**Prepared on behalf of:**

Alpha Investments Company Pty Ltd

**Prepared by:**

Kerriane Meulman  
*Managing Director*

Nicholas Hiller  
*Consultant*

**Warranty**

This report has been based upon the most up to date readily available information at this point in time, as documented in this report. Urban Economics has applied due professional care and diligence in accordance with generally accepted standards of professional practice in undertaking the analysis contained in this report from these information sources. Urban Economics shall not be liable for damages arising from any errors or omissions which may be contained within these information sources.

As this report involves future market projections which can be affected by a number of unforeseen variables, they represent our best possible estimates at this point in time, and no warranty is given that this particular set of projections will in fact eventuate.

Version No	Date of Issue	Prepared By	Approved By
1.0	30 <sup>th</sup> October 2025	Nicholas Hiller	Kerriane Meulman
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# Contents

<b>Executive Summary</b> .....	<b>1</b>
<b>1.0 Introduction</b> .....	<b>4</b>
1.1 Background .....	4
1.2 Study Objectives and Methodology .....	4
<b>2.0 The Subject Site</b> .....	<b>6</b>
2.1 415 Milton Rd, Auchenflower .....	6
2.2 The Proposed Commercial Development.....	7
2.3 Planning Framework.....	8
<b>3.0 Supply</b> .....	<b>10</b>
3.1 Commercial Office Trends .....	10
3.2 The Existing Commercial Office Network.....	11
3.3 Proposed and Approved Facilities.....	15
3.4 Implications.....	16
<b>4.0 Study Area Community</b> .....	<b>17</b>
4.1 Study Area Definition.....	17
4.2 Population and Household Growth.....	19
4.3 Demographic and Socio-Economic Profile.....	20
4.4 Workforce and Business Climate .....	23
4.5 Implications.....	25
<b>5.0 Demand for Proposed Development</b> .....	<b>27</b>
<b>6.0 Need Assessment</b> .....	<b>29</b>
<b>7.0 Impact Assessment</b> .....	<b>31</b>
<b>8.0 Conclusions</b> .....	<b>33</b>

## Executive Summary

- Urban Economics has been commissioned to complete an economics need and impact assessment for a proposed expansion to an office development at 415 Milton Rd, Auchenflower, with the report to investigate the need, potential impacts of the project and evaluate its compliance with the small scale non-residential uses code from an economic perspective.
- Proposals for the subject site are to expand on the existing building, adding 69.02sqm of ancillary space on the first level and ground floor, taking the existing GFA from 256.32sqm to 325.34sqm. The site is within the Character Residential (Infill) zone and is across the road from a Neighbourhood Centre along Munro St. The site has had commercial uses on the site for an extended period of time.
- Chapcon Design & Construct is the current main occupying company, which operates all over Greater Brisbane, particularly in the western corridor. The company is experiencing growth and is seeking to expand its office – which operates not just as a location for full-time staff but as a conveniently located project hub which off-site employees use for meetings and resource coordination during and between projects.
- Future employment projections indicate increased employment for those in Healthcare, Professional Services and Construction among other industries, which will inevitably drive demand for office space, as Herron Todd White identifies the demand in Brisbane amongst small offices for efficient floorplans with links to transport and amenity.
- The Neighbourhood Centre across from the subject site on Munro St is currently occupied by several houses converted into multiple dwelling units, along with a QML Pathology. Adjacent is the RiverCity Private Hospital within the community zone, which currently advertises two large vacant tenancies, which are not suitable for the subject company due to being designed especially for medical practitioners and tenancies.
- Within other nearby centres there are a number of small vacant tenancies, though none of a suitable scale for the subject development. Notable changes to the supply of office space are incoming, in the form of the Milton Village redevelopment, which will create a number of small new office spaces as well as The Adler in Auchenflower – a dual residential/commercial development with planned medical and office space.
- However, these new developments would not have any tenancies of the requisite size either and are not yet operational. The combination of these factors means that there are no suitable alternatives to the subject proposal, though new development indicates that the Auchenflower and Milton corridor is a prime candidate for the expansion of commercial office spaces.
- The identified Study Area, which extends north of the Ipswich rail line, east to Barooka Rd and Fernberg Rd, has a current population of ~7,000, forecast to grow to 7,340 by 2041, with the local demographic showing an increased incidence of Professionals, those of younger working age and higher household incomes compared to both Brisbane City and Queensland.

- Within the Study Area and surrounding employment areas, some of the most prominent industries in terms of both employment and business counts are those which would have a strong demand for office spaces such as Healthcare, Professional Services and Rental/Hiring/Real Estate, driving demand for additional commercial space, especially given the area's proximity to major employment uses such as the Wesley Hospital and accessibility by both road and rail.
- In estimating the demand for office space, Urban Economics has estimated both the demand from local resident workers and the working population from outside based on the employment in "core industries" such as Finance/Insurance, Professional Services, Admin/Support, Rental/Hiring/Real Estate as well as potential office workers in other industries. In 2025, it is estimated there are ~850 office workers that would have potential need for office space in the Study Area.
- Population growth, as well as the assumed growth in localised employment due to the opening of new commercial spaces and opportunities to work closer to home, will drive future demand for office space, with an additional ~1,200sqm demanded in the next 15 years.
- While recognising the capacity for work from home opportunities, there is inevitably a current and growing demand from the local resident workforce and the local workforce and businesses operating within the inner and near city areas for conveniently located, accessible office spaces that support local business owners looking to expand their offices with a physical presence, especially in such an amenable, accessible location as the subject site.
- Urban Economics is of the view that there is existing and ongoing economic, community and planning need for the proposed commercial office expansion within the Study Area and that the subject site represents a logical and strategic location to deliver suitable office space, for the following reasons:
  - Office demand projections are for future and ongoing demand for commercial office space within the Study Area, and the subject proposal would support the expansion of Chapcon Design & Construct – allowing it to support its local and Brisbane clients.
  - A significant proportion of business growth has been in industries that require office and consulting spaces, and the area has been recognised by other office developments as having a strong demand for office space.
  - Urban Economics did not identify any suitable vacant tenancies within the Study Area in terms of both size and fitout, with vacancies in the neighbouring RiverCity Private Hospital suited to medical tenants.
  - The subject site, with its location along Milton Rd and proximity to Auchenflower Station, represents a highly accessible hub for both employees and clients, supporting the work of Chapcon Design & Construct, which requires off-site staff to return to the office for meetings and coordination.

- The site location would support existing and future employment opportunities for local residents in the construction industry, providing residents with an opportunity to work close to where they live.
- Regarding Performance Outcome 4 of the Small Scale Non-Residential Uses code, that *“Development must be low key in scale, nature and employment, and of an appropriate size to serve the needs of the local residential community”*; the subject expansion only marginally expands the commercial footprint of the building by 69sqm and the company, which has completed a number of projects in and around the Study Area community, is a small business with a number of employees working off site, minimising any impacts of a proposed expansion.
- Addressing Performance Outcome 2 of the same code, the subject development has hosted a non-residential use for at least the last 15 years, and expansions would not extend operations to neighbouring properties or extend the existing centre on Munro St – which itself does not currently include any similar office developments.
- Urban Economics does not consider that the proposed development would have a significant negative impact on the surrounding centres due to the relatively small scale expansion of an existing use, and by allowing for the ongoing operation and performance of a commercial office use that is not otherwise present in the centre, this will enable the business to improve productivity and provide an amenable location for staff and clients from which to operate, meet and interact, with anticipated flow-on benefits to local businesses within the mixed use centre on Milton Road.

In conclusion, it is Urban Economics’s professional opinion that there is a need for the proposed expansion of Chapcon Design & Construct’s premises at 415 Milton Rd, with a lack of suitable nearby office tenancies rendering it unable to feasibly relocate within the local area while retaining its profile and connectivity to the local resident and working communities.

The ancillary expansion will support the development of a local business with a strong presence in the western corridor area and provide locals an opportunity to work close to where they live. The project is small in scale, serves a local need and does not extend the existing centre, thereby having minimal impacts on the centres network, though a forced relocation would result in a reduction of local employment opportunities. On these grounds, Urban Economics believes there is a need for the proposed development on the subject site.

# 1.0 Introduction

## 1.1 Background

Urban Economics has been commissioned to undertake an economic need and impact assessment for a proposed expansion to an office development at 415 Milton Road, Auchenflower. It is understood that Chapcon currently operates a design and construction company focused on residential construction, within the premises fronting Milton Rd, and that the premises has a long history of occupancy by commercial uses including health care operators.

With ongoing growth of the business and the evolving needs of work practices for on-site and remote staff, the business has identified a need to expand the business by providing additional ancillary spaces, while retaining its inner west location in better servicing the needs of its workforce and interactions with clients.

It is proposed to undertake a modest expansion of the premises on the existing site to include additional ancillary staff and meeting room spaces. This renders the proposal impact assessable, and this report is required to demonstrate that it complies with the small scale non-residential uses code, and in particular that the proposal complies with PO2 and does not:

- Create a defacto centre
- Cause an incremental expansion
- Be located in a catchment serviced by an existing centre

Urban Economics is a boutique economic and market research consultancy based in South East Queensland. The Urban Economics team has extensive experience in the preparation of strategic advice and need assessments for a range of retail, health, education, tourism, residential, industrial, commercial and community sectors including demographic analyses, market share analyses, qualitative and quantitative research.

## 1.2 Study Objectives and Methodology

In undertaking the Economic Impact and Needs Analysis for the expansion of the commercial office development in Auchenflower, Urban Economics has:

- Reviewed plans for the proposed expansion;
- Reviewed the current operations of the construction company and need for expansion;
- Inspected the site and surrounding land uses, noting vacancies and mix of activities;
- Reviewed the role of the subject site and surrounding Auchenflower precinct;
- Reviewed the planning framework and economic intents of the Strategic Framework;
- Defined a Catchment/Study Area for exploration;

- Assessed the population and household growth of the Study Area;
- Critiqued the employment and working profile of the Study Area and anticipated growth in demand for employment facilities;
- Assessed the demand for additional commercial office;
- Examined need for the proposed expansion on the subject site;
- Critiqued the impacts of the proposed development on the surrounding centre; and
- Explored from an economic perspective how the proposed expansion complies with the small scale non-residential uses code

## 2.0 The Subject Site

### 2.1 415 Milton Rd, Auchenflower

The subject site is located on the corner of Milton Rd and Munro St in Auchenflower, across the road from a Neighbourhood Centre and the RiverCity Private Hospital – a large medical complex with a variety of different specialist healthcare providers redeveloped in around 2016.

The subject site is 556.41sqm in size, and currently is occupied by a former dwelling, which has been used for commercial purposes for a long period, previously hosting the Auchenflower Family Practice GP Clinic and since 2021 has been the commercial office for construction company Chapcon Design & Construct and home-building company Newstart Homes.

There are also surrounding commercial uses opposite the subject site within the Mixed Use Zone, and the combination of these variety of uses contributes to the formation of a small neighbourhood centre and commercial node.

**FIGURE 2.1: The Subject Site (neighbourhood centre shaded in blue)**



Source: Nearmap showing 24<sup>th</sup> August 2025



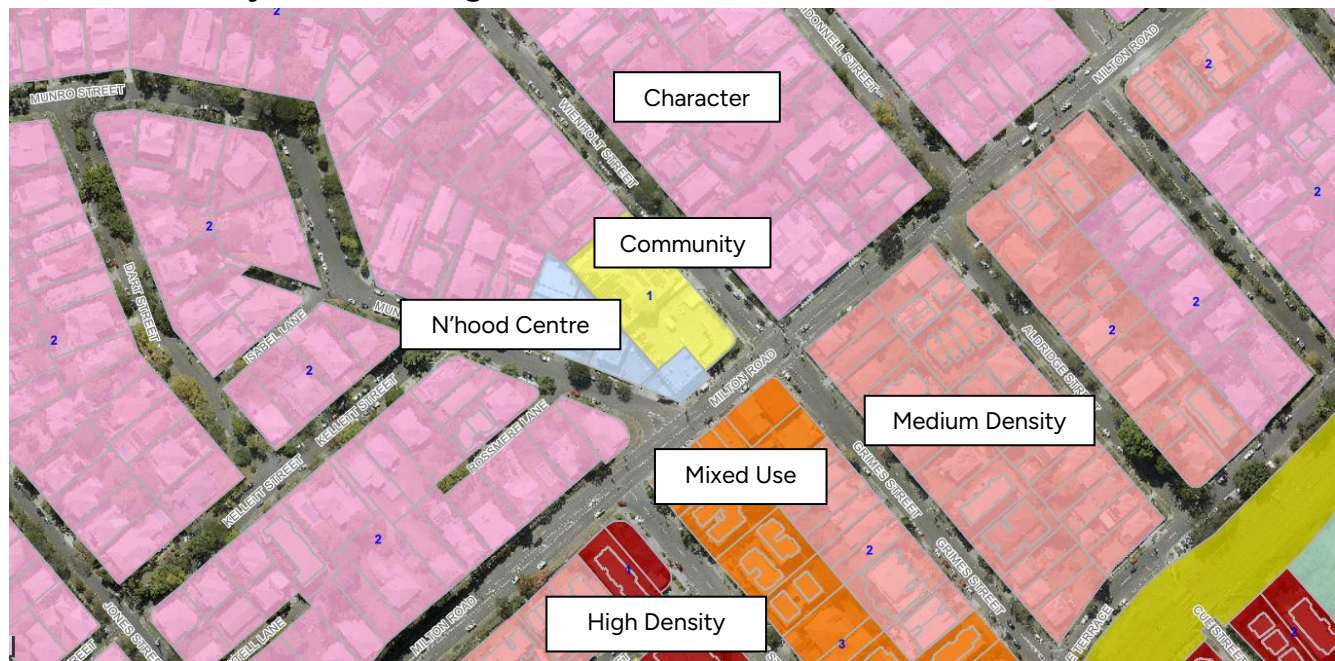
Chapcon Design & Construct is a construction and design company that operates all over the Greater Brisbane area, particularly in the western corridor of Brisbane, where the company has completed numerous projects. The company is experiencing consistent growth and requires a redesigned and expanded operational environment to support worker productivity and the growth of the business. Also co-located at the subject site is homebuilder Newstart Homes.

In terms of its operational nature, while the company has staff based full time at 415 Milton Rd, the nature of construction means many staff are located off-site – with the office serving as a central hub for project management meetings and resource coordination. In this sense, the location of the office along Milton Rd offers a high level of visibility and accessibility, close to the Brisbane CBD and connecting motorways, allowing staff to commute easily between their projects and the office as needed.

## 2.3 Planning Framework

The subject site, at the corner of Milton Rd and Munro St, is zoned for character residential (infill) uses, which does however “provide for community uses, and small-scale services, facilities and infrastructure, to support local residents.”

**FIGURE 2.4: Subject Site Zoning**



Source: Brisbane City Council

The subject site is zoned as Character Residential (Infill), which aims to preserve the historic housing and dwelling types of much of inner-city Brisbane, and is restrictive on the types of both residential and non-residential buildings that can be developed.

As part of the Character Residential Zone Code (6.2.1.5):

1. The purpose of the character residential zone is to:
  - a. Ensure the character of a residential area is protected or enhanced; and
  - b. Provide for community uses and small-scale services, facilities and infrastructure, to support local residents.
  
4. Development location and uses overall outcomes are:
  - g. Development for a compatible and individual small-scale non-residential use which is a community care centre, community use, health care service, office, shop or veterinary service (together with any associated caretaker's accommodation or dwelling unit) where not on land within the Commercial character building overlay or the Active frontages in residential zones overlay, is to:
    - i. Have a gross floor area of less than 250sqm
    - ii. Serve local residents' day-to-day needs;
    - iii. Not undermine the viability of a nearby centre

As part of the provided information request, council has requested demonstration that the proposed development complies with Performance Outcome 4 of the small-scale non-residential uses code, which governs the establishment of commercial and other uses in residential areas. This, along with other relevant performance outcomes of the code are noted below:

PO2 Development must not:

- a. Create a de facto centre through clustering of small-scale non-residential uses;
- b. Cause incremental extension to the edge of an existing centre through sequential development of multiple small-scale non-residential uses;
- c. Be located in a catchment that is already serviced by an existing centre.

PO4 Development must be low key in scale, nature and employment, and of an appropriate size to serve the needs of the local residential community.

There have been commercial uses and activities on the site that have preceded the current and previous planning schemes, with the proposed expansion consolidating the commercial uses on the subject site through a modest increase in the floor area on the site. The proposed expansion would not change the use of the subject site but support the modern operations of the construction business and its capacity to support the needs of workers and clients.

# 3.0 Supply

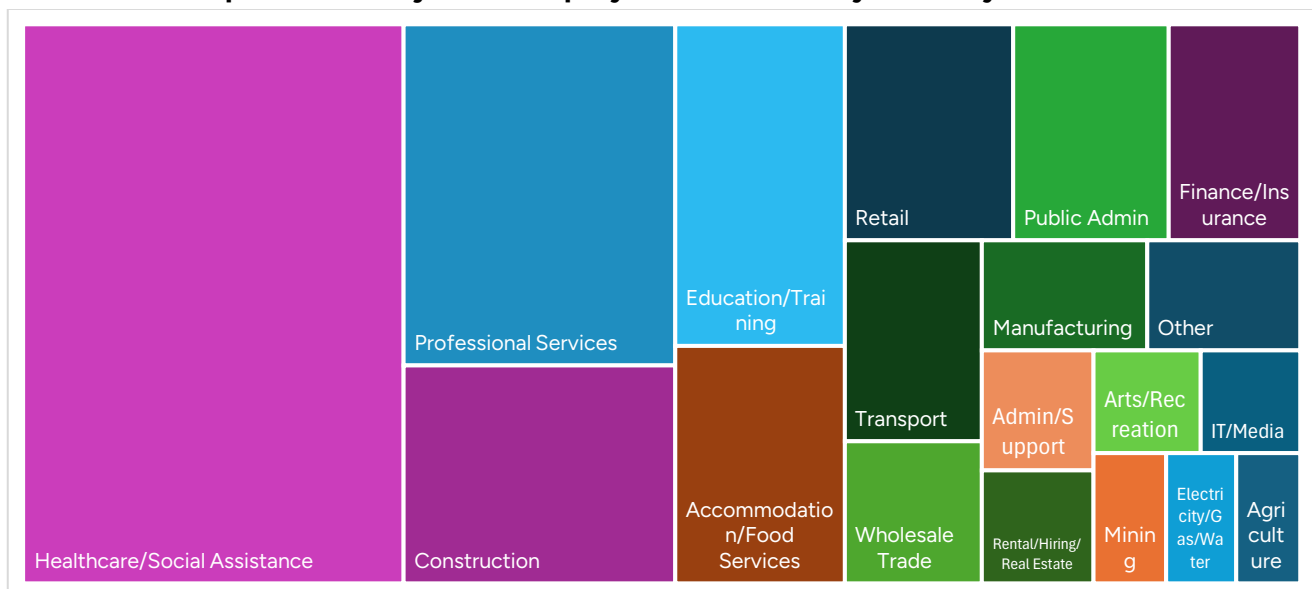
## 3.1 Commercial Office Trends

From a property and commercial market perspective, there are a range of trends that influence the demand for and delivery of office facilities and the activities and services that businesses and workers are seeking, that are of relevance in the consideration of need and demand for commercial office space within the local area and Brisbane generally.

Employment activity is a major underlying factor in shaping demand for labour and subsequently, demand for commercial office space to accommodate the needs of this labour force. Key trends in the short to medium term as highlighted by Jobs and Skills Australia include:

- A growth in total employment across the country, of around 950,000 people, or 6.6%, toward 2029 and nearly 2 million people (13.7%) over the coming decade, with an estimated 16.3 million people employed by 2034.
- The structural shift in employment toward the services sector is set to continue with the 3 main industries of Health care and social assistance, Professional, scientific and technical services and Education and training, which in sum contribute to more than half of the employment growth within the next 10 years, as illustrated in FIGURE 3.1 below.
- An increase in employment of all major occupation groups toward 2034 – the largest being among Professional roles, which are anticipated to grow by some 409,800 persons or 10.9% to May 2029 and 785,000 persons (20.9%) by 2034.

**FIGURE 3.1 Proportional Projected Employment Growth by Industry 2024-2034**



Source: Jobs and Skills Australia

National property firm Herron Todd White’s Month in Review report (September 2025 edition) of various commercial office markets across Australia noted that in Brisbane currently:

*“From the tenant side, demand is increasingly shaped by cost control and workplace flexibility. Smaller occupiers and professional services groups are seeking efficient layouts, move-in ready fitouts and locations with strong transport and amenity links. While secondary assets attract tenants on price, rising rental levels across modern office spaces highlight the ongoing flight to quality, with occupiers willing to pay a premium for buildings that support staff attraction, retention and hybrid work.”*

This reflects the needs for expansion of Chapcon on the subject site to increase their office amenity through breakout spaces and suitable meeting facilities to attract and retain quality staff, and improve overall operations and productivity.

## 3.2 The Existing Commercial Office Network

*(Site inspections completed October 2025)*

### **Subject Site/Munro St**

Across from the subject site along Munro St there are several lots within the Neighbourhood Centre zone, consisting of several “Queenslander” style dwellings converted into multiple dwelling units, as well as a QML Pathology centre on the opposite corner of Munro St and Milton Rd. Next to the subject site across Rossmore Lane, there is a dwelling that is home to The Developing Foundation, a charity that supports children with development and brain injuries, however the building also looks to be a residential dwelling, so is more akin to a home-based business as opposed to a small-scale non-residential use.



*Residential Uses in Neighbourhood Centre, Munro St*

Neighbouring the centre, within the Community Facilities zone is the RiverCity Day Hospital, a large medical facility with a variety of tenants, including the QLD Pelvic Floor Centre, operating theatres for ophthalmologic and pain management procedures as well as a number of other medical specialists related to eye and paediatric health. Urban Economics noted two seemingly vacant tenancies, which were 625sqm and 608sqm in size respectively, but consider these to be intended specially for medical uses, as described on the leasing advertising in FIGURE 3.2.

**FIGURE 3.2: RiverCity Private Hospital Leasing Advertisement**

## Current leasing opportunities

SUITE/LEVEL	APPROX AREA (SQM)	RENT (PER SQM P.A. + GST)	TIMING	COMMENT
Suite 1D	625	\$480/m <sup>2</sup> Gross effective	Immediate	Blank canvass space now available for health driven organisations such as general practitioners, allied health providers and wellness centres.
Suite 1B	604	\$480/m <sup>2</sup> Gross effective	Immediate	Spacious 604m <sup>2</sup> of adaptable space for a variety of medical use. Currently fitted as an imaging suite with the ability to redesign to suit other healthcare needs.

Tenant incentives negotiable.

Figures exclude GST or government levies. Areas are indicative only.

Across the other side of Milton Rd, there were several small vacant tenancies in a row of shops located in Mixed-Use zoned land, ranging from 51-193sqm in size. This strip of shops has been challenged for a number of years in securing and retaining tenancies in light of the busy Milton Road frontage and the age and investment in the centre zoned premises.



*Vacancies on Milton Rd*

### **Milton Village/Baroona Rd**

This centre space, located at the Corner of Milton Rd and Baroona Rd, consists of several adjacent commercial buildings and small shopping centres, accommodating a variety of food and drink, office, medical and recreational tenants throughout the centre.

The major anchoring centre is Milton Village, which is has been undergoing substantial renovations to provide future small-scale commercial office space alongside a new Coles Local development. Throughout the centre, and in nearby shopping centres and office spaces, Urban Economics noted only four existing vacancies, a ground floor vacancy estimated to be ~60sqm, a small upstairs tenancy in the KFC-anchored Milton Central shopping centre and others in a commercial building further east at 237-239 Milton Rd, one advertised for 164sqm and the other for 195sqm, as illustrated in the following.



Commercial Vacancies

### Rosalie Village

Largely consisting of restaurants and eateries with a small number of upstairs professional services and medical firms, Urban Economics noted 2 potential vacancies within the centre, and another nearby building that was not part of the centre but designated by council as a character commercial use. These commercial vacancies were a former bridal tenancy sized 117sqm and small office at 165 Barooka Rd as well as a ~150sqm building respectively.

### Haig Rd

A small centre located along Haig Rd; this consists of a small number of cafes and restaurants as well as a small accounting firm and a medical neuroscience specialist. There is a small vacant ground floor tenancy sized 66sqm in an adjacent building that also hosts Rosalie Milton Clinic (medical centre) at 104 Haig Rd, but this is not within the centre zone.

### 3.3 Proposed and Approved Facilities

*(Site inspections completed October 2025)*

#### **Milton Village**

Undergoing major refurbishment and renovations, the Milton Village precinct on Baroona Rd is redeveloping upper levels to add additional office space, currently advertising 505sqm worth of office space across 5 separate tenancies, with the existing dance studio to relocate to directly above Coles Local – which was scheduled to open on the 5<sup>th</sup> of November 2025.



*Renovations at Milton Village*

## The Adler

Currently in the early stages of construction across from the Auchenflower train station on Eagle Tce in mixed-use zoned land, this development consists of 36 residential units as well as a second commercial building with a total of 1,350sqm of commercial floorspace split across 8 separate tenancies ranging from 159-218sqm of space, designed for both medical clinics and specialists as well as potential office uses.



## 3.4 Implications

The assertion made by Herron Todd White that “*smaller occupiers and professional groups are seeking efficient layouts, move-in ready fitouts and areas with strong transport and amenity links*” suggests Auchenflower is a prime candidate for the expansion of commercial office – as evidenced by the ongoing development of ~1,855sqm of new office and medical suites across two locations.

However, both of these new developments do not have suitably-sized tenancies and within the local network of neighbourhood centres surrounding the subject site there are no suitable vacancies that would accommodate the subject company Chapcon, both for its proposed expanded office space and existing space, which totals more than 400sqm. The only tenancies of sufficient scale are within medical precincts and fitted out for medical tenants and not office-based tenants.

Furthermore, the Munro St neighbourhood centre adjacent to the subject site does not actually include any commercial office space, instead hosting QML pathology and a number of multiple dwelling houses, pushing out commercial tenants into nearby mixed use land or into other nearby centres.

## 4.0 Study Area Community

### 4.1 Study Area Definition

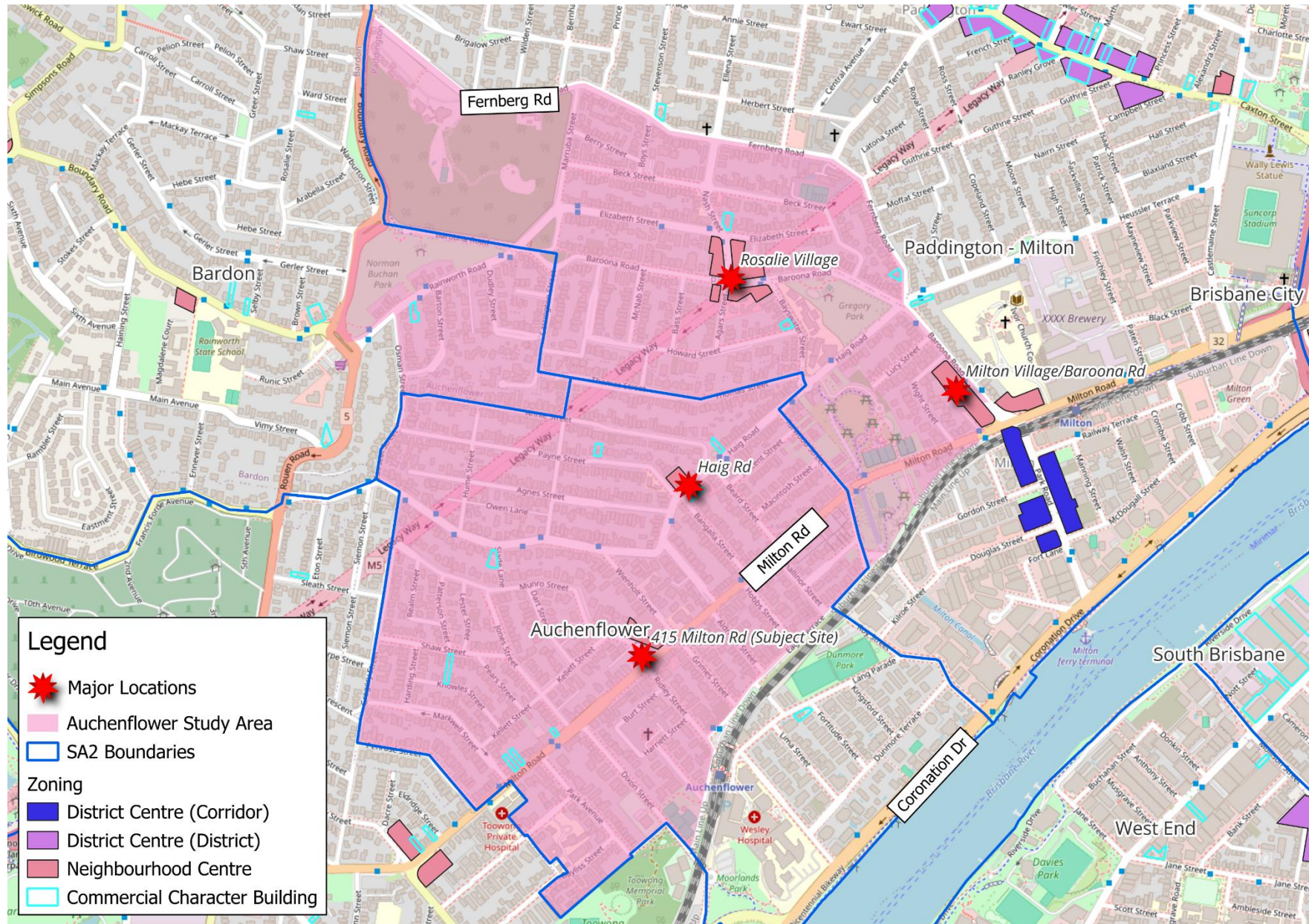
In defining the Study Area for the proposal at the subject site, consideration was given to a range of factors including:

- The scale and nature of the operation and its proposed expansion ;
- The existing role of the Centres network within Auchenflower and adjacent suburbs;
- Statistical Area Level 1 (SA1) Boundaries;
- Typical commuter flows from residential areas;
- Typical commuter flows to areas of employment;
- The existing road networks, particularly the role of Milton Rd; and
- Natural and engineered boundaries that influence traffic and employment flows.

The following FIGURE 4.1 illustrates the Study Area, which has been defined utilising SA1 boundaries and encompasses all of Auchenflower SA2 north of the railway line and areas of Paddington and Milton on the southern and western sides of Fernberg and Baroona Roads, also using the railway line as a boundary.

The Study area is well-located and easily accessible both via road and rail, whilst also being proximate to a number of major employment nodes, most notably the Wesley Hospital in Auchenflower. In general, the area has a high level of amenity, with a number of small neighbourhood centres, healthcare clinics and specialists allowing residents to access a wide variety of services in their local community.

FIGURE 4.1: Study Area



Source: QGIS

## 4.2 Population and Household Growth

Building approvals within the Auchenflower SA2 have been limited, with just 58 occurring since 2016/17 at an average of 6 per annum. In Paddington – Milton there has been a fluctuation in the number approvals from year to year, reflecting that many projects are likely to be apartment developments – delivering a large number of approvals at a single time, as well as redevelopment of older homes.

At times when these apartment developments are not being approved, there are relatively few building approvals, reflecting the zoning of much of the suburbs of Auchenflower and Paddington, where character residential designation and generally high house prices make it difficult for any significant redevelopment to occur.

**TABLE 4.1: Building Approvals by SA2 2016/17 – 2024/25**

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Auchenflower</b>	16	6	9	2	5	2	9	9	0
<b>Paddington – Milton</b>	16	208	104	19	310	5	119	11	11

Source: ABS

After a decline in population from 2016 to 2021, the Study Area population grew at a rate of 1.4% per annum to 2025, increasing the population to ~7,000. Without a corresponding level of additional dwellings, the number of persons per household increased substantially. By 2041, the Study Area population is forecast to increase by ~350 to 7,340, an average annual growth rate of 0.3%.

The zoning of much of the area for character residential limits the future potential for building approvals and thereby population growth, however notable ongoing developments such as The Adler along Eagle Tce and the approved St Faber’s Green vertical retirement village in Auchenflower illustrate that there is potential for redevelopment on other sites zoned for low-medium, medium density residential and mixed use.

**TABLE 4.2: Projected Population Growth, 2016 – 2041**

AREA	JUNE	Δ	JUNE	Δ	JUNE	Δ	JUNE	Δ	JUNE	Δ	JUNE	Δ	JUNE
	2016	P.A.	2021	P.A.	2025	P.A.	2026	P.A.	2031	P.A.	2036	P.A.	2041
	(ACT)		(ACT)		(EST)		(PROJ)		(PROJ)		(PROJ)		(PROJ)
<b>Population</b>	6,745	-0.4%	6,618	1.4%	6,996	0.5%	7,030	0.3%	7,140	0.3%	7,250	0.2%	7,340
<b>Dwellings</b>	2,690	-1	2,685	10	2,725	10	2,735	20	2,835	20	2,935	20	3,035
<b>Persons per Household</b>	2.51		2.47		2.57		2.57		2.52		2.47		2.42

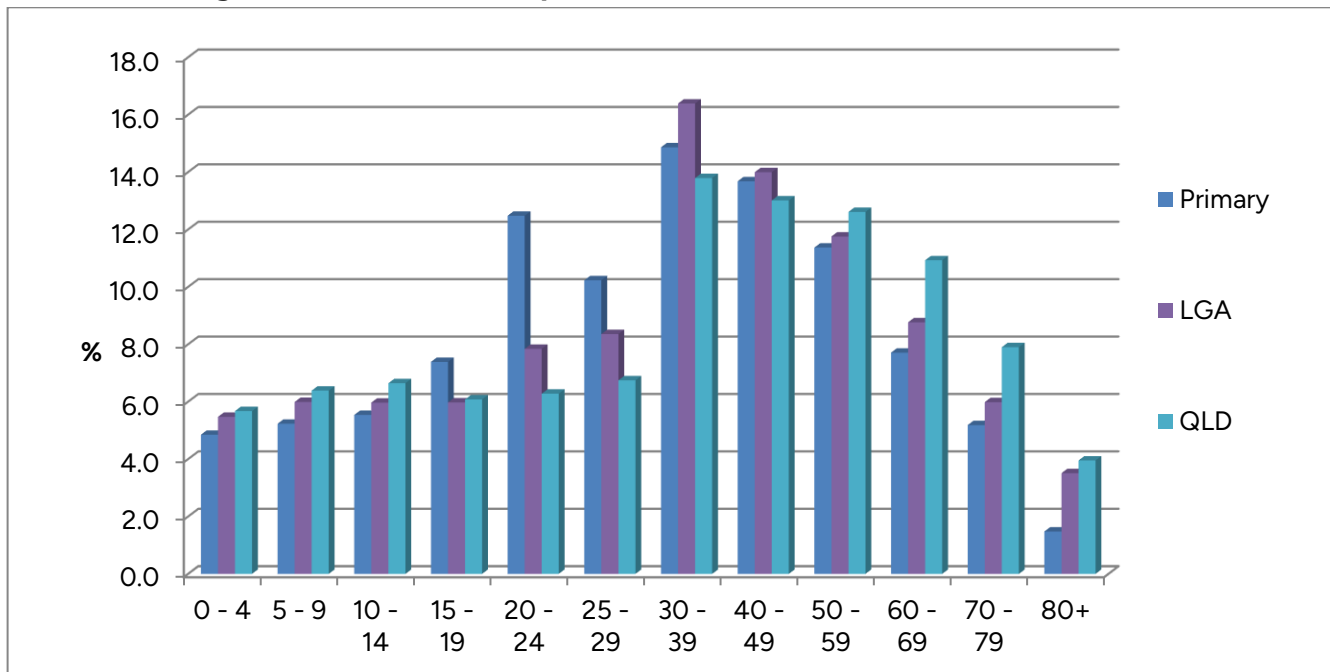
Source: ABS, QGSO

### 4.3 Demographic and Socio-Economic Profile

The results from the 2021 ABS Population and Household Census have been utilised to explore the demographic and socio-economic profiles of the Study Area community. TABLE 4.3 summarises the results with comparisons to the Brisbane Local Government Area (LGA) and Queensland’s averages.

- Heightened proportions of the cohorts aged 15-29 years (30.1%) compared to Brisbane (22.2%) and Queensland (19.1%), is indicative of a younger population comprising students and young professionals, a reflection of the area’s location proximate to the CBD, near City employment locations such as the office market in Milton, major tertiary institutions and strong transport links to these locations.
- The study area’s cohort aged 30-59 years (39.9%) is on par with the age distribution in Brisbane LGA (42.1%) and Queensland (39.4%), reinforcing a population that are currently in their working years of the lifecycle.

**FIGURE 4.2: Age Structure of the Population**



Source: ABS

- The unemployment rates for the Auchenflower and Paddington – Milton SA2s in 2025 are much lower than the statewide average at 2.6% and 2.7% respectively, compared to 4% in Queensland, supporting a strong level of annual household expenditure, around 41% higher than the state average and 20% higher than the Brisbane City average.

- In terms of the occupation profile, 42.1% in the study area are professionals compared to the lower numbers in Brisbane (32.0%) and Queensland (21.4%). This is reinforced by the proximity to Brisbane’s CBD and the increase in professional activities in Brisbane’s fringe areas.
- Similarly, in the resident workforce there are elevated levels of employment in the Professional, Scientific and Technical services industry (17.1%), the Financial and Insurance service industry (6.0%), and the Rental, Hiring and Real Estate services industry (2.8%) compared to LGA and Queensland. This demonstrates the proximity to the activities of the commercial office precincts in the CBD and fringe areas.
- The spread of home ownership statistics, 25.4% owned outright, 31.0% mortgage, and 42.9% rentals are reflective of the Study Area’s age profile and current lifecycle stage.

**TABLE 4.3: Socio-Economic Profile**

Demographic	Primary	LGA	Queensland
<b>Age Profile (%)</b>			
<i>0-14yrs</i>	15.6	17.4	18.7
<i>15-29yrs</i>	30.1	22.2	19.1
<i>30-59yrs</i>	39.9	42.1	39.4
<i>60+yrs</i>	14.4	18.3	22.8
<b>Average Annual Household Income (\$)</b>	147,740	123,080	104,470
<b>Labour Force (%)</b>			
<i>Unemployment Rate</i>	4.4	5.0	5.4
<i>Workforce Participation Rate</i>	78.3	71.0	65.8
<b>Occupation Profile (%)</b>			
<i>Managers/Administrators</i>	15.8	14.0	12.5
<i>Professionals</i>	42.1	32.0	21.4
<i>Technicians &amp; Trade Workers</i>	7.1	9.9	13.7
<i>Community &amp; Personal Service Workers</i>	9.3	10.5	12.3
<i>Clerical &amp; Administrative Workers</i>	11.5	13.1	12.7
<i>Sales Workers</i>	6.8	7.7	8.7
<i>Machine Operators &amp; Drivers</i>	1.8	4.3	6.8
<i>Labourers</i>	4.5	6.9	10.1
<i>Inadequately Described/Not Stated</i>	1.1	1.6	1.9
<b>Industry Profile (%)</b>			
<i>Agriculture, forestry &amp; fishing</i>	0.4	0.4	2.6
<i>Mining</i>	1.5	1.3	2.3
<i>Manufacturing</i>	2.7	4.7	5.7
<i>Electricity, gas, water &amp; waste services</i>	1.1	1.1	1.2
<i>Construction</i>	4.7	6.7	9.1
<i>Wholesale trade</i>	1.7	2.4	2.4
<i>Retail trade</i>	6.7	8.2	9.3
<i>Accommodation &amp; food services</i>	7.4	7.0	7.2
<i>Transport, postal &amp; warehousing</i>	2.3	4.6	4.7
<i>Information media &amp; telecommunications</i>	2.1	1.4	1.0
<i>Financial &amp; insurance services</i>	6.0	4.0	2.6
<i>Rental, hiring &amp; real estate services</i>	2.8	2.0	1.8
<i>Professional, scientific &amp; technical services</i>	17.1	11.5	6.7
<i>Administrative &amp; support services</i>	3.4	3.3	3.4
<i>Public administration &amp; safety</i>	5.9	6.9	6.2

<i>Education &amp; training</i>	10.0	9.8	8.8
<i>Health care &amp; social assistance</i>	15.9	15.7	15.4
<i>Arts &amp; recreation services</i>	2.0	1.8	1.5
<i>Other services</i>	3.2	3.4	3.9
<i>Inadequately described/Not stated</i>	3.3	4.0	4.5
<b>Highest Level of Education (%)</b>			
<i>Post Graduate Degree</i>	13.9	9.7	4.7
<i>Graduate Diploma &amp; Graduate Certificate</i>	4.6	3.4	2.2
<i>Bachelor's degree</i>	35.4	25.0	15.0
<i>Advanced Diploma</i>	8.2	9.7	9.4
<i>Certificate</i>	9.4	14.9	22.1
<i>Not Stated/Inadequately Described</i>	4.3	6.5	9.0
<i>Not Applicable</i>	24.2	30.8	37.5
<b>Home Ownership (%)</b>			
<i>Owned Outright</i>	25.4	25.3	29.1
<i>Mortgage</i>	31.0	33.7	34.4
<i>Rent</i>	42.9	38.3	33.1
<i>Other/Not Stated</i>	0.7	2.7	3.4
<b>Structure of Dwellings (%)</b>			
<i>Separate House</i>	57.4	62.6	74.8
<i>Semi-detached/Row/Terrace/Townhouse</i>	6.6	11.3	11.7
<i>Flat/Unit</i>	35.6	25.6	12.5
<i>Other/Not Stated</i>	0.4	0.5	1.0
<b>Number of Vehicles Per Dwelling (%)</b>			
<i>0</i>	8.5	8.0	5.7
<i>1</i>	40.6	39.1	35.2
<i>2</i>	34.2	36.3	37.5
<i>3</i>	10.3	10.3	12.8
<i>4+</i>	5.6	5.1	7.2
<i>Not Stated</i>	0.7	1.2	1.5
<b>Relationship in Household (%)</b>			
<i>Couple in Registered Marriage/De Facto Relationship</i>	43.4	45.8	46.1
<i>Lone Parent</i>	2.6	4.0	4.9
<i>Child Under 15yr</i>	15.7	17.8	19.0
<i>Dependent Student (15-24yr)</i>	6.4	5.5	4.7
<i>Non-dependent Child</i>	2.9	5.0	5.8
<i>Other in Family Household</i>	3.9	4.2	4.0
<i>Group Household Member</i>	11.8	5.9	3.8
<i>Lone Person</i>	11.0	10.2	9.8
<i>Visitor in Household (from within Australia)</i>	2.2	1.6	1.9
<b>Religious Affiliation (%)</b>			
<i>Buddhism</i>	1.6	2.7	1.4
<i>Christianity</i>	40.2	43.1	45.7
<i>Hinduism</i>	1.8	2.9	1.3
<i>Islam</i>	0.3	2.3	1.2
<i>Judaism</i>	0.0	0.1	0.1
<i>Other Religions</i>	0.3	1.3	1.0
<i>Secular Beliefs, Other Spiritual Beliefs and No Religious Affiliation</i>	51.0	41.4	41.2
<i>Religious affiliation not stated</i>	4.8	6.1	8.0

Source: ABS

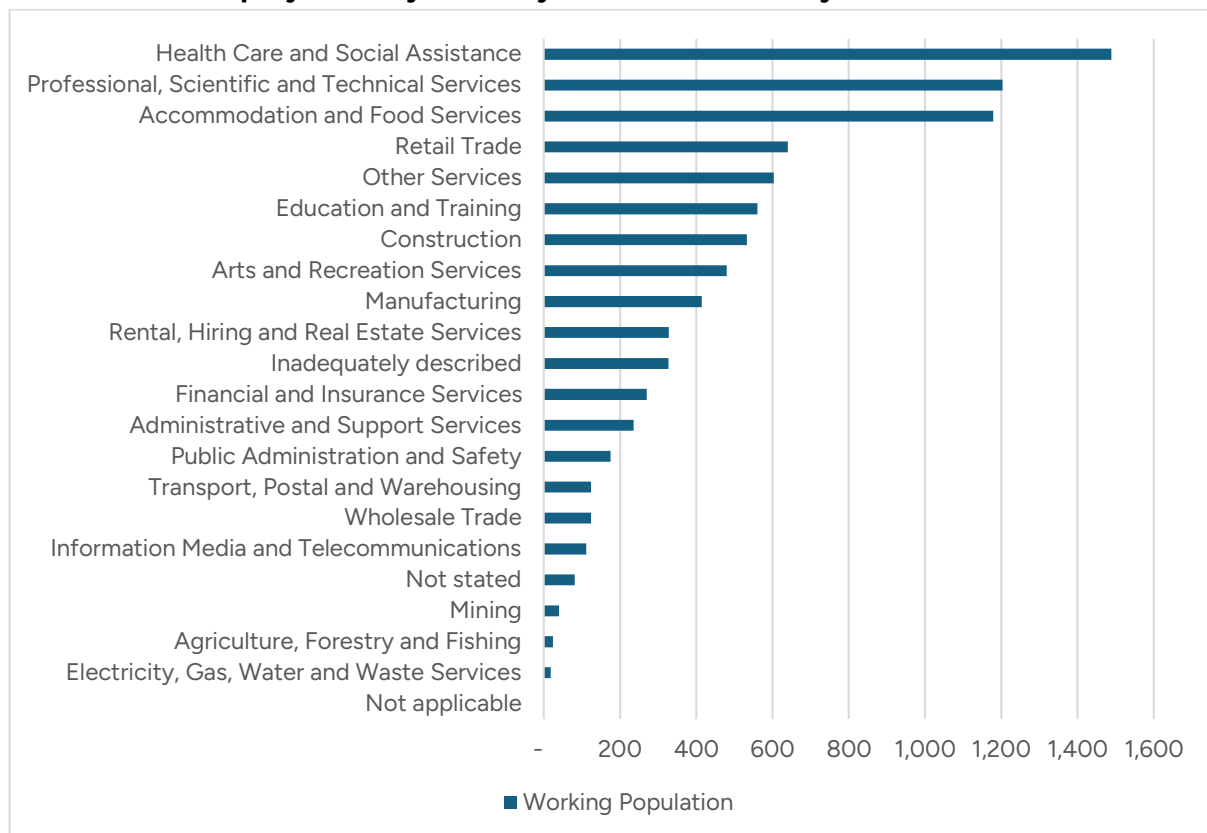
## 4.4 Workforce and Business Climate

In identifying the working population within the Study Area, Urban Economics has used ABS workplace destination zones to estimate the number of workers. These zones are slightly different to the Study Area, including Auchenflower and Milton north of the railway line and the suburb of Paddington.

The 2021 ABS population census found a working population of 8,984 for the three relevant destination zones. FIGURE 4.3 highlights the Health Care and Social Assistance industry as having the strongest share of employment at ~1,500 workers, understandable given its proximity to major health infrastructure such as the Wesley Hospital.

Although, it is noted that the next highest spread of industry's are Professional, Scientific and Technical services (~1,200 workers), and Financial and Insurance services are prevalent in the Study Area. Aligning with the analysis of Industry Profiles in Section 4.3, FIGURE 4.4 demonstrates the occupation spread of the working population, indicating that there is existing and local demand for commercial office space due to a high number of those in Professional and Managerial occupations – which tend to be office-based.

**FIGURE 4.3: Employment by Industry for Relevant Study Area Destination Zones, 2021**



Source: ABS

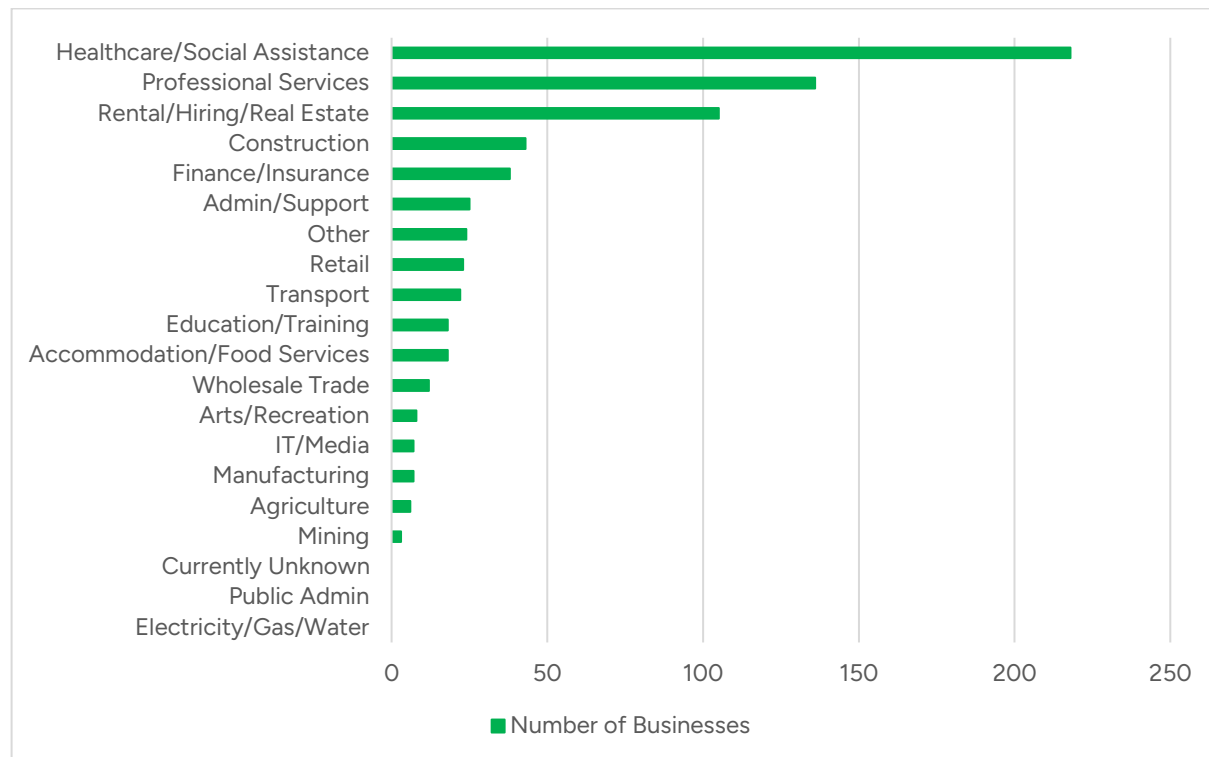
**FIGURE 4.4: Employment by Occupation for Relevant Study Area Destination Zones, 2021**



Source: ABS

As highlighted in FIGURE 4.5, the three largest industries in terms of registered businesses in the Auchenflower SA2 are Healthcare/Social Assistance, Professional Services, Rental/Hiring/Real Estate, comprising 65% of all businesses. These three categories are those most likely to have a high demand for office and consulting space and while some businesses may be home based, 36% or 165 registered businesses in these industries employ staff and would have demand for small scale office space.

**FIGURE 4.5: Count of Businesses, Auchenflower SA2**



Source: ABS

## 4.5 Implications

As a high-income, inner-city area, the Study Area has a naturally high number of residents working as Professionals at 42%, and in industries such as Healthcare & Social Assistance, Finance and Insurance and Professional Services that would have a strong demand for small-scale commercial office tenancies, partially explaining the relatively limited sizeable vacancies found within centre-zoned areas.

So too, the local business network and working population is heavily skewed towards office-based employment, as companies in medical and specialist, professional services, real estate services dominate the business counts for the Auchenflower SA2. Proximity to major healthcare uses such as the Wesley Hospital as well as the central location, which offers accessibility by both road and rail makes the Study Area a potentially attractive location for small-scale commercial office or medical consulting space, for both local residents looking to expand and establish their own premises as well as companies seeking a small-scale inner city location.

## 5.0 Demand for Proposed Development

This section explores the need and demand for commercial office space within the Study Area and surrounds.

As examined in Section 4.4 of the report, the number of registered businesses in the Auchenflower SA2 increased from 687 in 2019 to 713 in 2024, representing a net addition of 26 additional businesses, or almost 4%. When noting the industries driving this increase, namely Healthcare/Social Assistance and Rental/Hiring/Real Estate, it is clear that recent growth will drive a demand for additional commercial and office space as opposed to industrial or retail, placing pressure on existing centres to accommodate additional businesses.

**TABLE 5.1: Growth in Business Counts, Auchenflower SA2, 2019-24**

Industry Label	No. of Businesses	Growth 2019-24
Agriculture	6	-2
Mining	3	0
Manufacturing	7	-2
Electricity/Gas/Water	0	0
Construction	43	-8
Wholesale Trade	12	0
Retail	23	0
Accommodation/Food Services	18	6
Transport	22	-10
IT/Media	7	3
Finance/Insurance	38	7
Rental/Hiring/Real Estate	105	16
Professional Services	136	-9
Admin/Support	25	0
Public Admin	0	0
Education/Training	18	-1
Healthcare/Social Assistance	218	19
Arts/Recreation	8	3
Other	24	4
<b>Overall</b>	<b>713</b>	<b>26</b>

Source: ABS

While it is difficult to project the future makeup of the Auchenflower business network to help inform future demand for office space, Urban Economics has used census data and population forecasts to estimate the future growth in need for office space within the Study Area. In doing so the following assumptions have been made:

- That demand for office space is derived from employment in four “Core Industry Sectors” – Finance/Insurance, Professional Services, Admin/Support and Rental/Hiring/Real Estate as well as 10% of employment in remaining industries, recognising that such as in the case of the subject site, businesses in other industries can be office-based.
- That 10% of the local population also works within the Study Area, derived from the proportion of Auchenflower SA2 workers who are employed locally. After 2025, this proportion is to increase slightly to 12%, reflecting the construction of new office space in the area.

In estimating the demand for office space, Urban Economics has estimated both the demand for local resident workers and the working population from outside. In 2025, Urban Economics estimates there are ~850 office workers that would have potential need for office space in the Study Area, which at an average ratio of 15sqm for worker amounts to 12,790sqm of floorspace.

Population growth, as well as the assumed growth in localised employment due to the opening of new commercial spaces and opportunities to work closer to home, will drive future demand for office space, with an additional ~1,200sqm demanded in the next 15 years.

**TABLE 5.2: Estimated Demand for Additional Office Space, Study Area**

	2021	2025	2026	2031	2036	2041
ERP	6,618	6,996	7,030	7,140	7,250	7,340
Resident Workforce	3,945	4,198	4,218	4,284	4,350	4,404
% Core Industry Sectors	36.3%	36.3%	36.3%	36.3%	36.3%	36.3%
Resident Office Workforce	1,431	1,523	1,530	1,554	1,578	1,598
at 10% Locally Employed	143	152	153	155	158	160
at 12% Locally Employed	172	183	184	187	189	192
Est. Office Working Population	663	700	704	715	726	735
Total Est Demand	806	853	887	901	915	927
15sqm per worker	12,084	12,790	13,311	13,519	13,727	13,898

**While recognising the capacity for work from home opportunities, there is inevitably a current and growing demand from the local resident workforce and the local workforce and businesses operating within the inner and near city areas for conveniently located, accessible office spaces that support local business owners looking to expand their offices with a physical presence, especially in such an amenable, accessible location as the subject site.**

## 6.0 Need Assessment

Urban Economics is of the view that there is existing and ongoing economic, community and planning need for the proposed commercial office expansion within the Study Area and that the subject site represents a logical and strategic location to deliver office space that supports the needs of the existing business, Chapcon Design & Construct, as well as add to the current network of office space in the area, benefiting local residents, workers, commuters and businesses alike.

### ***Economic Need***

- Office demand projections suggest that resident workers and the broader working population has a demand for office space within the Study Area, which is only anticipated to grow in coming years. The establishment of other commercial office projects within the Study Area at Milton Village and Eagle Tce illustrate that the market recognises the local demand for office space.
- The proposed ancillary spaces would support the expansion of commercial activities on the subject site, supporting the future growth of Chapcon Design & Construct and allowing it to continue to support its Brisbane clients, many of whom are located within the local area.
- A significant proportion of the growth in registered businesses over the last 5 years has been made up of businesses in industries that tend to require office and consulting spaces, such as healthcare/social assistance and rental/real estate businesses. This inevitably places demand pressure on existing small-scale office supply and reduces the available vacant office space locally.
- The small-scale office market is evolving in Brisbane, where clients are seeking flexibility and links to transport and amenity, is exemplified by the proposed development – to be built to business specifications, including ample recreation spaces for staff, along a major connecting road in close proximity to Auchenflower train station.
- The proposed expansion would contribute to the productivity of the business's operation through improved spaces for interaction and meetings for staff and clients, whilst retaining the business's location within the inner western suburbs access to existing projects and clients.

## ***Planning Need***

- Urban Economics did not identify any vacant tenancies within the Study Area that were both suitable in terms of size compared to the existing and proposed office floorspace (325sqm) and fitout, with vacancies in the neighbouring RiverCity Private Hospital suited for medical tenants.
- The subject site's location, located along a major road and ~300m from Auchenflower train station, amplifies the accessibility and profile for the business, its staff and clients. The nature of Chapcon Design & Construct's work, with projects around Greater Brisbane and the need for off-site staff to return to the subject site for meetings and coordination makes the subject site's centrality and proximity to the city centre a strategic and accessible location.
- The subject site has accommodated various commercial uses on the site for a long period of time, previously hosting the Auchenflower Family Practice. The proposed use would represent a continuation of the history of commercial uses on the subject site.
- Continuing this use on the subject site would re-affirm and support the surrounding area's status as a service and employment node and consolidate non-residential uses where they are already located.

## ***Community Need***

- Owing to its location along Milton Rd, proximity to Auchenflower train station as well as connectivity to the Brisbane CBD and nearby motorways, the existing office's operation as a central hub is easily accessible for employees and clients, increasing the convenience for commuters and off-site workers needing to return.
- The addition of new recreation spaces would strengthen the amenity of the subject property to staff, attracting, accommodating and retaining existing workers. This supports the surrounding mixed uses across Milton Rd, which include a number of café/food and drink outlets, through employee spending on takeaway food and drink and meals out.
- By providing for the expansion and future growth of the subject business, the proposal would create future employment opportunities for locals in the construction industry and provide additional opportunities for locals to work close to where they live.

## 7.0 Impact Assessment

In assessing the potential impacts and appropriateness of the proposed office space expansion, Urban Economics has considered, as per the information request, Performance Outcome 4 of the Small Scale Non-Residential Uses code, which reads as follows:

*“Development must be low key in scale, nature and employment, and of an appropriate size to serve the needs of the local residential community”*

- In spatial terms, the proposed expansion only marginally expands the overall footprint of the existing commercial use on the subject site by 69sqm, with additional floorspaces being of an ancillary nature.
- As a small business, with a number of employees working off site, the level of employment is relatively low key, especially when compared to other major nearby employers such as the RiverCity Private Hospital.
- As a company that has completed projects in and around the Study Area community, the development’s addition of floorspace will assist in continuing to serve the building and design needs of the local area.

Furthermore, the other relevant Performance Outcome 2 lists three desired outcomes, namely that it must not:

*a. Create a de facto centre through clustering of small-scale non-residential uses*

The subject site has hosted a non-residential use for at least 15 years, and the two directly neighbouring sites are residential in nature. The proposed expansion does not extend the operation of the business on to neighbouring properties.

*b. Cause incremental expansion to the edge of an existing centre through sequential development of multiple small-scale non-residential uses*

The proposed development would be the only small-scale non-residential use directly adjacent to the existing neighbourhood centre zone, and even then, there is Munro St separating the two uses.

*c. Be located in a catchment that is already serviced by an existing centre*

Urban Economics notes the nearby presence of the Neighbourhood Centre extending along Munro St, although this centre zoned land does not include any existing construction businesses or indeed any office space within, thereby not providing the same service as would be available within the subject development.

Urban Economics does not consider that the proposed development would have a significant negative impact on the surrounding centres due to the relatively small scale expansion of an existing use, but would retain an existing commercial activity in Auchenflower close to existing clients and projects. Nor would the proposed expansion have an impact on the role and performance of the nearest neighbourhood centre, by allowing for the ongoing operation and performance of a commercial office use that is not otherwise present in the centre. Rather, the expansion of the existing business will enable it to improve productivity and provide an amenable location for staff and clients from which to operate, meet and interact, with anticipated flow-on benefits to local businesses within the mixed use centre on Milton Road.

Furthermore, the site is a historical commercial building, hosting commercial uses for a long period of time and with the proposed expansion moderate in scale and on the existing site, not extending the scale of .

There are a range of other social and economic benefits that would be derived from the subject development, as well as some potential negative impacts of the expansion not being effected:

- The continued operation and expansion of the proposed uses would continue to provide localised employment opportunities for office workers and those in the construction industry within a contemporary, modern facility.
- As other community and mixed uses such as the RiverCity Private Hospital have developed nearby, the subject site and nearby lots have developed into a small node where locals can access a variety of services.
- As there are no suitable vacant tenancies for the business to occupy, being forced to relocate would remove a growing business from the local commercial network, reducing the local workforce spend on surrounding businesses and inconveniencing local residents who use their services.
- The subject building has not been used for residential uses for a extended period of time, and would require extensive renovations, so the relocation of the existing commercial use from the site as would be necessary, would not materially increase the provision of residential housing locally.

## 8.0 Conclusions

In conclusion, it is Urban Economics's professional opinion that there is a need for the proposed expansion of the Chapcon Design & Construct premises at 415 Milton Rd, with a lack of suitable nearby office tenancies in the surrounding Study Area meaning that the company is unable to feasibly relocate within the local area whilst retaining its profile and connectivity to the local resident and working communities.

Furthermore, the expansion will support the development of a business which has a strong local presence, completing numerous projects within the western corridor area and continues to provide an opportunity for local office workers and those in the construction industry to work close to where they live.

In terms of its compliance with the desired outcomes of the Small-Scale Non-Residential use code from an economic perspective, the proposed development is small in scale, serves a local need and does not create an extension of an existing centre or a cluster of small-scale non-residential uses.

Therefore, the existing and future impacts of the development on the surrounding centre are minimal, especially when considering there are no competing office uses within the Munro St neighbourhood centre. However, the potential negative impacts of a forced relocation of the subject business include a reduction in local employment opportunities and the removal of a convenient and accessible local business.

In summary, Urban Economics believes that the proposed expansion contained on the subject site will not undermine nearby centres due to its scale or operations, rather benefiting the local community by providing employment opportunities in a convenient, accessible location. The proposed expansion ensure that the operation remains small in scale but relevant to and within the mix of commercial and employment opportunities in Auchenflower that are accessible to both Milton Road and public transport networks.